



GOV. MSG. NO. 1325

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 6, 2021, the following bill was signed into law:

HB0753 HD1 SD2

RELATING TO SCHOOL IMPACT FEES.
ACT 197 (21)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO SCHOOL IMPACT FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. Section 302A-1603, Hawaii Revised Statutes, is
3 amended by amending subsection (b) to read as follows:

4 " (b) The following shall be exempt from this section:

5 (1) Any form of housing permanently excluding school-aged
6 children, with the necessary covenants or declarations
7 of restrictions recorded on the property;

8 (2) Any form of housing that is or will be paying the
9 transient accommodations tax under chapter 237D;

10 (3) All nonresidential development; ~~[and]~~

11 (4) Any development with an executed education
12 contribution agreement or other like document with the
13 department for the contribution of school sites or
14 payment of fees for school land or school
15 construction~~[=]~~; and



1 (5) Any form of housing developed by the department of
2 Hawaiian home lands for use by beneficiaries of the
3 Hawaiian Homes Commission Act, 1920, as amended."

PART II

SECTION 2. The legislature finds that the department of education requires statutory flexibility to effectively manage and expend school impact fees. The purpose of this part is to provide that flexibility.

9 SECTION 3. Section 302A-1608, Hawaii Revised Statutes, is
10 amended as follows:

11 1. By amending subsection (h) to read:

12 "[+] (h) [+] Construction cost component impact fees shall
13 be used only [~~for~~]:

14 (1) For the costs of new school facilities that expand the
15 student capacity of existing schools or adds student
16 capacity in new schools[-]; or

17 (2) To improve or renovate existing structures for school
18 use.

19 Construction cost component impact fees ~~[may]~~ shall not be used
20 to replace an existing school located within the same school

1 impact district, either on the same site or on a different
2 site."

3 2. By amending subsection (j) to read:

4 "[+](j)[+] Construction cost component impact fees shall
5 not be expended for[+]

6 ~~(1) The~~ the maintenance or operation of existing schools
7 in the district[~~+~~~~or~~

8 ~~(2) Portable or temporary facilities~~]." "

9 3. By amending subsection (l) to read:

10 "[+](l)[+] Fees in lieu, proceeds from the sale of all or
11 part of an existing school site that has been dedicated by a
12 developer pursuant to the requirements of this subpart, and
13 construction cost component impact fees shall be expended or
14 encumbered within twenty years of the date of collection. Fees
15 shall be considered spent or encumbered on a first-in, first-out
16 basis. ~~[An expenditure plan for all collected impact fees shall~~
17 ~~be incorporated into the annual budget process of the department~~
18 ~~and subject to legislative approval of the budget.]~~ "



PART III

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval; provided that on July 1, 2024, section 1 of this Act shall be repealed and section 302A-1603(b), Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act.

APPROVED this 06 day of JUL , 2021



GOVERNOR OF THE STATE OF HAWAII



HB No. 753, HD 1, SD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 22, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives

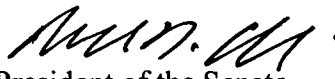



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 13, 2021
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate
of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.


President of the Senate


Clerk of the Senate